

REMARKS

Applicants have carefully considered the Office Action dated June 4, 2004 regarding the above-identified application, and the claim amendments above together with the remarks that follow are presented in a bona fide effort to respond thereto and address all issues raised in that Action. The claims have been amended to address both indefiniteness issues and art rejections. Unless specifically referenced in a traversal of an art rejection below, it is believed that revised claim language only provides improved grammar or clarity and as such does not narrow the scope of any amended claim. Care has been taken to avoid entry of new matter. Prompt favorable reconsideration of this amended application is requested.

Clarity of the Claim Language

In response to the objection in paragraph 2 of the detailed Action, Applicants have changed “m” to “the” (as in “the marketer area”) as suggested by the Examiner. Hence, the first objection should be overcome.

Paragraphs 3-5 of the detailed Action asserted that the claim term “key data” was not adequately defined in the specification and was used in the claims in a manner inconsistent with art accepted usage, and as a result, claims 1-18 were indefinite. It is not clear from the statements in paragraphs 3-5 if this is a rejection or objection, however, since the allegation of indefiniteness is based on 35 U.S.C. § 112, second paragraph, it is assumed that the claims were rejected for indefiniteness. Applicants respectfully disagree. The present application defines “key data” as data that is necessary for “enabling use of digital information” (see e.g. line 5 of the original abstract of the disclosure) or as data that is “used to determine whether reproducing ... is permitted” (see e.g. page 3, lines 6-3). The “key data” term used in the claims is somewhat broader than terms such as

“decryption key.” For example, a “decryption key” is a common example of “key data,” e.g. because the key enables decryption and thus enables use or copying of the encrypted digital information. Also, when first used in each independent claim, the phrase is not just “key data” but “key data indicating permission to use” (see e.g. line 2 of claim 1 and line 2 of claim 2). This broad definition of data for enabling use of the digital information is reasonably consistent with art usages of terms such as “permission,” “key,” “decryption key” and “decoding key.” In view of the consistent usage of the “key data” terminology in the specification, drawings, abstract and claims, and the reasonable consistency of Applicants’ usage with art acceptable terminology, the “key data” terminology in the claims is believed to be adequately clear, concise and definite particularly when this case is read by a person of ordinary skill in the relevant art. The indefiniteness rejection based on the “key data” terminology therefore is improper and should be withdrawn.

In paragraph 6 of the Action, the Examiner asserted that the term “the storage medium owner” in claims 1 and 2 was indefinite because it was unclear in the claims which owner was being discussed. In claims 1 and 2, the claims refer to a marketer area that is on or in the second storage medium, and this area is inaccessible. This area corresponds to area 46-2 shown in Fig. 5. As disclosed, the marketer areas including area 46-2 are inaccessible to users (see e.g. page 3, lines 12-14), including the owners of the respective mediums. Since the medium containing the marketer area referenced in claims 1 and 2 is the second medium, “the owner” in question is the owner of the second medium. Hence, claims 1 and 2 have been amended to refer to “the owner of the second storage medium.” It is believed that the revised claim language is clear and concise and eliminates the alleged indefiniteness. Although claims 11-16 did not originally refer to “the storage medium owner,” those claims have been amended to add a function of storing a feed to a marketer area; and in so amending those claims, care has been taken to utilize the new clearer term “the owner of the

second storage medium.” In view of the amended claim language, it respectfully submitted that the “owner” terminology is sufficiently definite.

Paragraph 7 of the detailed Action rejected claims 1, 2 and 11-16 as indefinite on the ground that these claims did not specifically recite the location of “the digital information.” This rejection is traversed. As disclosed, the key data and fee information are recorded in memory locations on two or more IC cards 6 of various users (see Fig. 5). The actually digital information, however, is on or transported by various other media (see e.g. information 2 in Fig. 1; and see descriptions at page 10 lines 16-19 and page 18 lines 23-25). The lack of a specific recitation of the location of the digital information in the claims makes the claims broad, in that the digital information may be any place or on any medium that is appropriate. However, such breadth does not render the claims indefinite. It is respectfully requested that the Examiner withdraw the indefiniteness rejection of claims 1, 2 and 11-16 set forth in paragraph 7 of the Office Action.

In response to the rejection of claims 17 and 18, these claims have been amended to clearly and consistently refer to the “the key data indicating permission to use the digital information” (from the respective parent claim), which is distinct from “the key data unique to the IC card” added by these dependent claims. It is respectfully submitted that the revised language of claims 17 and 18 is definite and the rejection set forth in paragraph 9 should be withdrawn.

The amendments and remarks above should also address the comments about indefiniteness of the dependent claims due to alleged problems in the independent claims (e.g. paragraphs 5 and 8 of the Action). Where appropriate, dependent claims have been amended to conform to the revised language of respective independent claims. Also, the amended claims should be clear and concise, therefore the objection to the claims as “generally narrative and indefinite” should now be withdrawn.

Applicants respectfully submit that all pending claims now particularly point out and distinctly claim Applicants' inventive subject matter, in full compliance with the second paragraph of 35 U.S.C. §112.

Patentability Issues

Claims 1, 2 and 11-16 stand rejected under 35 U.S.C. §102(e) as anticipated by U.S. Patent No. 6,226,618 to Downs et al. (hereinafter Downs). Claims 3-10, 17 and 18 stand rejected under 35 U.S.C. §103 as unpatentable over the Downs patent in combination with U.S. patent No. 5,892,900 to Ginter et al. (hereinafter Ginter). The independent claims have been amended, as discussed below, to more clearly distinguish over the applied documents. It is respectfully submitted that the pending claims now patentably distinguish over Downs alone or in combination with Ginter.

Although the scope of the relevant claim language varies somewhat, each of the independent claims now requires storing a fee for using the digital information to a marketer area in a second storage medium that cannot be accessed by the owner of that medium. It is respectfully submitted that neither Downs alone nor Downs in combination with Ginter satisfies the new requirements regarding this fee storage operation.

Downs, for example, teaches charging a fee but apparently the fee is handled through the clearinghouse or by the electronic digital stores (see e.g. column 23, lines 14-20; column 42, lines 56-61; column 71, lines 9-25; column 75, lines 33-39; and claim 18 in column 91). It is not seen where Downs might arguably suggest storing the fee for using the digital information to a marketer area in a second storage medium or that the marketer area on that medium is one that cannot be accessed by the owner of that medium. Since Downs does not meet the fee storage limitations of the independent claims, the anticipation rejection should be withdrawn.

Similarly, it is not seen where Ginter might arguably suggest storing the fee for using the digital information to a marketer area in a second storage medium or that the marketer area on that medium is one that cannot be accessed by the owner of that medium. Ginter teaches secure content distribution. An electronic appliance (Figs. 7 and 8), which may be in the form of a smart card (column 61, line 2), includes a secondary storage 652 for storing VDE objects 300 (see e.g. cited text in column 63, lines 28-67). As shown in Fig. 5B, the object 300 apparently includes content 304, a permission record 808, budgets 308 and other methods 1000 that may relate to metering or billing (see also column 17, lines 42-66). Although Ginter may arguably suggest storage of control information including usage metering or billing information in a secure database 610 within the secondary storage 652 (column 63, lines 35-41; and Fig. 8), it is not clear that Ginter actually teaches recording a **fee** for usage. Fees are charged by various entities, but the 'metering' application for example apparently records usage data for later fee calculation (see e.g. 58, lines 47-61). Also, Ginter does not teach defining a "marketer area" in the storage medium (presumably storage 652 of Ginter), and the Patent apparently does not suggest that such an area is one that cannot be accessed by the owner of that storage medium. A general teaching of the secure database 610 is not enough to meet the specific claim language. It is respectfully submitted that adding the VDE processing, with metering and billing information of Ginter, to the basic methodology of Downs, would still not result in a system or procedure that stores a **fee** for using the digital information in a **marketer area** of the second storage medium **that cannot be accessed by the owner of that medium**, as claimed. Since the combination proposed would not meet the limitations of the independent claims, those claims and all dependent claims now pending in this case should be allowable over the applied patents.

It is respectfully submitted that the combination does not render any of the pending claims obvious, and the obviousness rejection also should be withdrawn.

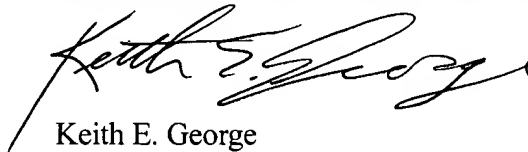
Upon entry of the above claim amendments, claims 1-18 remain active in this application, all of which should be definite and patentable over the art applied in the Action. It is submitted that all of the claims are in condition for allowance. Accordingly, this case should now be ready to pass to issue; and Applicants respectfully request a prompt favorable reconsideration of this matter.

It is believed that this response addresses all issues raised in the June 4, 2004 Office Action. However, if any further issue should arise that may be addressed in an interview or obviated by an Examiner's amendment, it is requested that the Examiner telephone Applicants' representative at the number shown below.

To the extent necessary, if any, a petition for an extension of time under 37 C.F.R. § 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

MCDERMOTT WILL & EMERY LLP

A handwritten signature in black ink, appearing to read "Keith E. George", written over a horizontal line.

Keith E. George
Registration No. 34,111

600 13th Street, N.W.
Washington, DC 20005-3096
202.756.8603 KEG:apr
Facsimile: 202.756.8087
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